



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 7**

11201 Renner Boulevard
Lenexa, Kansas 66219

MAR 07 2016

CERTIFIED MAIL

RETURN RECEIPT REQUESTED

Article Number: 7014 1200 0000 6124 7946

Mr. Dean Johnson
Director of Maintenance
Allan Industrial Coatings, Inc.
22191 Highway 3
Allison, Iowa 50636

RE: Allan Industrial Coatings, Inc.
Waterloo, Iowa
RCRA ID No.: IA0000312918

Dear Mr. Johnson:

Letter of Warning/Request for Information

On August 5-6, 2015, a representative of the U. S. Environmental Protection Agency inspected your Waterloo, Iowa facility. The inspection was conducted under the authority of Section 3007 of the Resource Conservation and Recovery Act.

My staff has reviewed the inspection report and determined that violations of RCRA were documented. We are requesting additional information regarding your facility's compliance status. Enclosed is a list of violations followed by a list of questions and/or requested information. Also enclosed are instructions to be used in providing your response. Please carefully read and follow these instructions. Your response to this request in accordance with the instructions is required by Section 3007 of RCRA and substantial penalties may result from not complying. Please note that the EPA reserves its right to pursue appropriate enforcement actions, including penalties, for violations discovered as a result of the inspection, regardless of whether the violations were subsequently corrected.



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Within thirty (30) calendar days of receiving this letter, please mail your response to: Marc A. Matthews, U. S. Environmental Protection Agency, 11201 Renner Boulevard, Lenexa, Kansas 66219. To request an extension of the time limit, follow the instructions in the enclosure. Please direct all questions concerning this letter to Mr. Matthews, of my staff, at (913) 551-7517.

Sincerely,



Becky Weber
Director
Air and Waste Management Division

Enclosures (3)

cc: Mr. Cal Lundberg, Chief, Contaminated Sites Section
Iowa Department of Natural Resources

List of Requested Information
Allan Industrial Coatings, Inc.
Waterloo, Iowa
RCRA ID No.: IA0000312918

At the conclusion of the August 5-6, 2015, inspection, the representative of the U. S. Environmental Protection Agency presented you with a Notice of Preliminary Finding which listed observations/recommendations found during the inspection.

As of the date of this letter, the EPA has not received a response from your facility. In order to allow the EPA to complete review of this inspection, additional information is required. Please submit a written response which includes a description of all corrective actions taken and/or schedule for completing the necessary corrective actions for the following violations:

1) In response to the following violations:

40 CFR §262.34(d)(2) → 265.173(a) - Failure to close hazardous waste storage container.

40 CFR §262.34(d)(4) → 262.34(a)(3) - Failure to mark hazardous waste storage container with the words "hazardous waste."

40 CFR §262.34(d)(4) → 262.34(a)(2) - Failure to mark date of accumulation on hazardous waste storage container.

During the visual inspection of the Hazardous Waste Container Accumulation Area the inspector observed that the 55-gallon drum used to collect the waste solvent was not closed; bung plugs were not tightly screwed into drum openings and a loose plastic funnel was placed in one of the bung openings. A lid from a one-gallon paint can was placed loosely inside the funnel. The inspector observed the distinct odor of solvent as soon as he entered the paint kitchen. The 55-gallon drum did not have a label identifying contents with the words "Hazardous Waste" and he did not observe any date on the container. The facility representative stated that the 55-gallon drum contained approximately 10 gallons of waste solvent. He explained that he routinely writes the date hazardous waste accumulation starts with a "magic Marker" on the outside of each 55-gallon drum. Filled drums are moved to the side and stored elsewhere in the paint kitchen. The inspector observed one full, closed, unlabeled 55-gallon drum immediately next to the open 55-gallon drum with the funnel. He did not observe a date on that drum. The inspector observed three closed, full, unlabeled 55-gallon drums that were stored approximately eight feet to the west of the open 55-gallon drum. None of the drums bore markings with the words "Hazardous Waste." Each of the drums bore hand-written markings indicating dates, however, one of the dates did not accurately include the year (i.e., the date hand written on the drum was "7/12" and was presumed to be the year 2015). When asked, the facility representative confirmed that hazardous waste accumulation in that particular drum had actually commenced on 7/12/2015.

Please submit a written response which details your efforts to come into compliance with these container management violations. Specifically include a description of all corrective actions taken and/or schedule for completing the necessary corrective actions including dates the tasks were or are planned to be completed.

List of Violations
Allan Industrial Coatings, Inc.
Waterloo, Iowa
RCRA ID No.: IA0000312918

- 40 CFR §262.34(d)(2) → 265.173(a) Failure to close hazardous waste storage container.
- 40 CFR §262.34(d)(4) → 262.34(a)(3) Failure to mark hazardous waste storage container with the words "hazardous waste."
- 40 CFR §262.34(d)(4) → 262.34(a)(2) Failure to mark date of accumulation on hazardous waste storage container.
- 40 CFR §262.34(c)(1)(ii) Failure to mark satellite accumulation area containers identifying contents.
- 40 CFR §262.34(c)(1)(i) Failure to keep satellite accumulation containers closed.
- 40 CFR §262.34(a)(4) - 265.34 Failure to have a device available capable of summoning emergency assistance.
- 40 CFR §279.22(c) Failure to label containers used to store used oil with the words "used oil."
- 40 CFR §262.11 Failure to determine if waste fluorescent lamps are a hazardous waste.
- 40 CFR §262.34(d)(4) – 265.37 Failure to make arrangements with local emergency agencies.
- 40 CFR §262.34(d)(5)(i) Failure to have an emergency coordinator on premises or on call.
- 40 CFR §262.34(d)(5)(ii) Failure to post the emergency coordinator's name and phone number, fire department's phone number, and the location of fire extinguishers and spill control equipment near the phone.
- 40 CFR §262.11 Failure to conduct a hazardous waste determination of aerosol cans disposed in general trash.
- 40 CFR §261.4(a)(26) Failure to label solvent-contaminated wipes that are sent for cleaning and reuse.

2) In response to the following violations:

40 CFR §262.34(c)(1)(ii) - Failure to mark satellite accumulation area containers identifying contents.

40 CFR §262.34(c)(1)(i) - Failure to keep satellite accumulation containers closed.

During the visual inspection, the inspector observed five-gallon containers located outside the entry doorways into each of the painting booths; one five-gallon container was located on each side of the doorways. Two five-gallon containers that are located on either side of the main door leading to the primer painting booth were approximately 1/3-full of waste solvent. Neither of the containers was closed, with lids placed loosely on top of each container. Neither of the containers was labeled to identify the contents of the container. Two five-gallon containers located on either side of the main door to the top coat painting booth were approximately 1/3-full of waste solvent. Neither of the containers was closed, with lids placed loosely on top of each container. Neither of the containers was labeled to identify contents. The inspector determined that the five-gallon containers met the definition of satellite accumulation area containers inasmuch as each of the containers was at or near the point of hazardous waste generation and were under the control of painting operators.

Please submit a written response which details your efforts to come into compliance with these satellite container management violations. Specifically include a description of all corrective actions taken and/or schedule for completing the necessary corrective actions including dates the tasks were or are planned to be completed.

3) In response to the following violation:

40 CFR §262.34(a)(4) – 265.34 - Failure to have a device available capable of summoning emergency assistance.

During the visual inspection, the inspector asked how someone would summon assistance to the HWCAA in the event of an emergency and was told that personnel would likely use their personal cell phone to summon help. The telephone had been previously been located outside the paint kitchen, but removed some time ago because of employee abuse and misuse. There is no device to summon emergency assistance.

Please submit a written response which details your efforts to come into compliance with this violation. Specifically include a description of all corrective actions taken and/or schedule for completing the necessary corrective actions including dates the tasks were or are planned to be completed.

4) In response to the following violation:

40 CFR §279.22(c) - Failure to label containers used to store used oil with the words “used oil.”

The inspector noted that the facility generates used oil from draining selected parts that have been washed during the pretreatment process. Each part contains approximately 200 milliliters of

transmission fluid; approximately 1,600 milliliters of transmission fluid is generated weekly by draining the contaminated transmission fluid from the parts. The contaminated transmission fluid is treated as used oil and is collected in a catch pallet located on the plant floor. During the visual inspection, the inspector observed a full five-gallon container containing used oil stored on a catch pallet. Neither the five-gallon container nor the catch pallet were labeled.

Please submit a written response which details your efforts to come into compliance with this used oil management violation. Specifically include a description of all corrective actions taken and/or schedule for completing the necessary corrective actions including dates the tasks were or are planned to be completed.

5) In response to the following violation:

40 CFR §262.11 - Failure to determine if waste fluorescent lamps are a hazardous waste.

During the visual inspection, the inspector observed one cardboard carton containing fluorescent lamps, stored outside the cooling tunnel. The cardboard container contained three new eight-foot "silver tip" lamps, three waste eight-foot "silver tip" lamps, and one waste four-foot "silver tip" lamp. The cardboard box was open, undated, and unlabeled. The length of storage was also unknown.

Additional information is required detailing your efforts to come into compliance for failing to make a hazardous waste determination on the fluorescent lamps. Specifically address the following:

- 1) Make a hazardous waste determination for the fluorescent lamps. Please provide the following information concerning each hazardous waste determination:
 - a. Determine whether the waste has been excluded from regulation under 40 CFR Part 261.4.
 - b. Determine whether the waste has been listed as a hazardous waste in Subpart D of 40 CFR Part 261. If the waste is a listed hazardous waste, provide the applicable listed waste code(s) in your response.
 - c. Determine whether the waste is identified in 40 CFR Part 261 Subpart C. To determine whether the waste exhibits any of the hazardous characteristics in Subpart C, the waste may need to be analyzed using one of the methods found in Subpart C of 40 CFR Part 261, or by applying knowledge of the waste characteristics based upon the materials or processes used. Any laboratory analyses used to make this determination must be provided to the EPA as well as a detailed description as to how each sample was taken. If the waste is a characteristic hazardous waste, provide the applicable characteristic waste code(s) in your response.
 - d. If your facility elects to apply knowledge of the material to make a waste determination on the waste streams identified above, you must provide a detailed explanation and your reasoning regarding the basis for this determination. If you apply knowledge of the material to make the waste determination, provide all applicable hazardous waste codes for the waste in your response.
- 2) As an alternative to making a hazardous waste determination, follow the Standards for Universal Waste Management of Lamps under 40 CFR Part 273.5 by describing how you will manage the lamps as a universal waste.
- 3) Include any standard operating procedures covering the fluorescent lamps.
- 4) Provide specific dates of corrective actions taken by your facility.

6) In response to the following violation:

40 CFR §262.34(d)(4) – 265.37 - Failure to make arrangements with local emergency agencies.

During the inspection, the inspector asked if the facility has made arrangements with local emergency agencies in the event of a hazardous waste emergency. The facility representative stated that he was not aware of any arrangements with local emergency agencies.

Please submit a written response which details your efforts to come into compliance with this violation. Specifically include a description of all corrective actions taken and/or schedule for completing the necessary corrective actions including copies of letters sent to the respective agencies and the dates the tasks were or are planned to be completed.

7) In response to the following violation:

40 CFR §262.34(d)(5)(i) - Failure to have an emergency coordinator on premises or on call.

During the inspection, the inspector asked who was designated as the emergency coordinator. The facility representative stated that he thought that a “Mr. Stoddard” was the emergency coordinator, but was not sure. None of the Allan Industrial Coatings representatives appeared to know who had been designated by AIC as the Waterloo facility’s emergency coordinator.

Please submit a written response which details your efforts to come into compliance with this violation. Your response should include the name and title of the emergency coordinator, a copy of the emergency action plan which identifies the emergency coordinator and specific dates of corrective actions.

8) In response to the following violation:

40 CFR §262.34(d)(5)(ii) - Failure to post the emergency coordinator’s name and phone number, fire department’s phone number, and the location of fire extinguishers and spill control equipment near the phone.

During the visual inspection, the inspector asked the facility representative where the nearest telephone was located to the HWCAA. The inspector was taken to a desk that is located inside the warehouse. The inspector observed that the emergency coordinator’s name and phone number, the fire department’s phone number, and the location of fire extinguishers and spill control equipment was not posted near the phone.

Please submit a written response which details your efforts to come into compliance with this violation. Your response should include the required information, a photograph of the posting, and specific dates of corrective actions.

9) In response to the following violation:

40 CFR §262.11 - Failure to conduct a hazardous waste determination of aerosol cans disposed in general trash.

During the visual inspection, the inspector asked for information pertaining to the aerosol cans. A facility representative stated that AIC generates approximately six empty aerosol cans a month from touch-up painting. The empty aerosol cans are disposed in general trash. The inspector asked if the cans were punctured and was informed that the cans were not punctured. Since the cans were not punctured and disposed in the general trash, the inspector cited failure to conduct a Hazardous Waste determination of aerosol cans disposed in general trash.

Additional information is required detailing your efforts to come into compliance for failing to make a hazardous waste determination on the aerosol cans disposed in general trash. Specifically address the following:

- 1) Make a hazardous waste determination for the aerosol cans disposed in general trash. Please provide the following information concerning each hazardous waste determination:
 - a. Determine whether the waste has been excluded from regulation under 40 CFR Part 261.4.
 - b. Determine whether the waste has been listed as a hazardous waste in Subpart D of 40 CFR Part 261. If the waste is a listed hazardous waste, provide the applicable listed waste code(s) in your response.
 - c. Determine whether the waste is identified in 40 CFR Part 261 Subpart C. To determine whether the waste exhibits any of the hazardous characteristics in Subpart C, the waste may need to be analyzed using one of the methods found in Subpart C of 40 CFR Part 261, or by applying knowledge of the waste characteristics based upon the materials or processes used. Any laboratory analyses used to make this determination must be provided to the EPA as well as a detailed description as to how each sample was taken. If the waste is a characteristic hazardous waste, provide the applicable characteristic waste code(s) in your response.
 - d. If your facility elects to apply knowledge of the material to make a waste determination on the waste streams identified above, you must provide a detailed explanation and your reasoning regarding the basis for this determination. If you apply knowledge of the material to make the waste determination, provide all applicable hazardous waste codes for the waste in your response.
- 2) Include documentation describing your aerosol disposal system.
- 3) Include any standard operating procedures covering the aerosol cans disposed in general trash.
- 4) Provide specific dates of corrective actions taken by your facility.

10) In response to the following violation:

40 CFR §261.4(a)(26) - Failure to label solvent-contaminated wipes that are sent for cleaning and reuse.

The facility generates approximately 50-100 cloth shop rags weekly which are collected in step-can containers located throughout the facility. The inspector observed one closed step-can, nearly full of soiled cloth shop rags, located in the vicinity of the painting booths. The step can appeared to have a label on the container lid indicating the rags were hazardous waste. The inspector observed that the writing on the lid was not legible and had been obscured by paint, dirt, and grime. The step-can was not labeled with the words "Excluded Solvent-Contaminated Wipes."

Please submit a written response which details your efforts to come into compliance with this container management violation. Specifically include a description of all corrective actions taken and/or schedule for completing the necessary corrective actions including dates the tasks were or are planned to be completed.

3007 RESPONSE INSTRUCTIONS

- Identify the Person(s) responding to this request on your behalf.
- Address each numbered item separately, and precede each answer with the number of the item to which it responds.
- For each numbered item, identify all documents consulted, examined, or referred to in the preparation of the answer, or that contain information responsive to the requested item. Provide true, accurate, and legible copies of all such documents. (If information responsive to an item is available but there are no relevant source documents, you must still provide the information.)
- For each document provided, indicate on the document (or in some similar manner) the number of the item to which it responds.
- For each numbered item, identify all persons consulted in the preparation of the answer.
- For purposes of this request, the term "you" or "your" refers to the company, corporation and any officer, principal, agent employee, or any other person(s) associated in any capacity.
- If information responsive to a requested item is not in your possession, identify the person(s) from whom the information may be obtained.
- If information that is not known or available at the time you make your response later becomes known or available to you, you must supplement your response.
- If, at any time after you submit your response, you find that any part of the information you submitted is incomplete, false, or misrepresents the truth, you must notify the EPA immediately.
- You must provide the requested information even though you consider it confidential information or trade secrets. If you want to make a confidentiality claim covering part or all of the information submitted, in accordance with 40 CFR 2.203(b), you must do so by placing on (or attaching to) the information, at the time it is submitted to EPA, a cover sheet, stamped or typed legend that identifies the material with words such as "trade secret," "proprietary," or "company confidential." Please make such claims in a bold, clearly identifiable manner, such that immediately upon viewing the information it is evident that a claim of confidentiality has been made.
- The EPA will disclose this information only to the extent and by the means described in 40 CFR Part 2, Subpart B., provided that it qualifies as confidential business information.
- A request for an extension to the time limit for responding must be in writing and must be postmarked within five (5) calendar days of receipt of this information request. Address it to the person identified in the cover letter to receive your response.
- Copies of the Code of Federal Regulations may be obtained from the U.S. Government Bookstores or on the Internet at www.epa.gov/epahome/cfr40.htm.
- This request for information is not subject to the approval requirements of the Paperwork Reduction Act of 1980.
- The EPA encourages you to conserve resources. Suggested methods include use of recycled paper, printing on both sides (duplex printing), and when possible submitting documents electronically (i.e., email or compact discs). If hard copy submittals are necessary, please do not submit documents in binders

Not responding to this information request within the stated time limit and in accordance with these instructions may subject your facility to an enforcement action which could include the imposition of penalties of up to \$37,500 per violation, per day of continued noncompliance. Providing false, fictitious, or fraudulent statements or representations could lead to criminal penalties.

